

Frequently Asked Questions

- Q.** *Will Century Bank checks that have not been cashed yet be honored?*
A. Based on the information you provide in your account reconciliation and confirmation that Century Bank has received notification of the checks that have been issued by January 21st, yes the checks will be honored or transferred to the unpaid check fund, if appropriate.

- Q.** *What if an employee has a problem with their payroll payment and we had issued a payment from the Century Bank account but the payback process (DYNPBK) has not been completed in HR/CMS?*

- A.** Not to worry, MMARS and HR/CMS don't track which account the emergency check was drawn on. When you return your advance to close out the Century Bank account your reconciliation would indicate a deposit-in transit, which reduces the AR processed. You would then open a new advance for Banknorth with an RA in the same amount as the AR. When the DYNPBK is completed the bank balance will increase to the full MMARS advance amount.

As an example:

Jenn Jones was underpaid \$263.50 for payroll week ending December 27, 2003 (payday 1/2/04). A Century Bank check was issued to her in the amount of \$250. When HR/CMS corrected her payroll in the following pay period, week ending January 10, 2004 (payday 1/16/04), the \$250 DYNPBK would be sent to Banknorth.

Century Bank	MMARS OPAT (OPen Advance inquiry Table)
\$5,000 - advance	\$5,000 - advance
\$250 - emergency payroll check #301 dated 1/2/04	
bal \$4,750 when Century is discontinued	

You would process an **AR** (advance refund) for \$4,750 on MMARS to clear Century balance. This would also leave \$250 as the open advance on MMARS OPAT. Once you completed your account reconciliation, confirmation of check destruction and attached forms, you would process an RA for \$4,750 as the initial advance to fund Banknorth, which would bring the OPAT balance on MMARS back to \$5,000.

The DYNPBK for \$250 would be deposited to Banknorth to increase the balance to \$5,000, which reconciles to the OPAT balance.

- Q.** *We use our emergency advance account frequently, including for travel. An employee will be leaving just before we transfer account, how should this be handled?*
A. Similar to the above, you should issue the travel check, as planned, prior to the trip. Upon his return the balance of the payment, based on receipts, can be issued from the new Banknorth account. MMARS doesn't care which account the check was drawn on, MMARS tracks spending from the appropriation. So you would process the EAs as you normally do.

As an example:

Louis Moore is traveling on January 12 – 15th estimating \$350 - 500 of direct expenditures. A Century Bank check is issued for \$400 on January 9th.

Century Bank	MMARS OPAT (OPen Advance inquiry Table)
\$5,000 - advance	\$5,000 - Advance amount
\$400 - travel check #302 dated 1/9/04	
bal \$4,600 when Century is discontinued	

If you process the first travel EA (expenditure of advance) right away for the \$400, the OPAT balance would reduce to \$4,600.

You would then process an **AR** (advance refund) for \$4,600 on MMARS to clear Century balance, which would also leave \$0 as the open advance on MMARS OPAT.

Once you completed your account reconciliation, confirmation of check destruction and attached forms, you would process an RA for \$5,000 as the initial advance to fund Banknorth which would bring the OPAT balance on MMARS back to \$5,000

The traveler would return with receipts (\$450.00). The additional \$50 check would be issued from the new Banknorth account and an EA for \$50 would be processed on MMARS.

Alternatively: Since it's a short trip in the same month you may wait to put through the EA as \$450 after the trip. In that case the OPAT would remain at \$5,000 as an open advance when you were transitioning to Banknorth. You would then process an **AR** (advance refund) for \$4,600 on MMARS to clear Century balance which would leave \$400 as the open advance on MMARS OPAT.

You would determine whether to process an RA for \$4,600 to open Banknorth to keep your advance at \$5,000 on MMARS until the EA is completed. Or process an RA for \$5,100 to bring the advance balance in MMARS to \$5,500, based on the estimate that your travel EA would reduce it later in the month to \$4,900 - \$5,100 range.

Q. *Will the Comptroller's Office continue to coordinate Banknorth accounts after implementation is complete?*

A. No. The Treasurer's Office will oversee the Banknorth relationship once implementation is complete. The Comptroller's Office is providing assistance with authorized department signatory review as well as the review of reconciliations and closing and opening of advances.

Q. *After our accounts are activated, where do I send requests for changes to the eCash Manager System or additional checks?*

A. All requests should be sent to Danielle Lussier, Department of the State Treasurer, One Ashburton Place, 12th Floor, Boston, MA 02108, (617) 367-9333 x573

Q. *If we have an account with Century Bank, will a Banknorth account be automatically assigned?*

A. Yes, you will have an account assigned with Banknorth, but it will not be activated until your account reconciliation and confirmation that your check stock has been destroyed have been received as well as Attachment A and the Banknorth Signature Card form processed.

Q. *If we don't currently have an account with Century Bank, will one be assigned?*

A. Each Department should have an emergency advance checking account. Emergency checking accounts are used to pay an employee during a pay period when the employee's earnings from HR/CMS are less than expected. This can occur due to errors in processing HR, Time or Payroll information. Also there may be additional activity in the accounts once HR/CMS processes all employee reimbursements.

Q. *Will my 5 digit DYNA BANK number in MMARS remain the same?*

A. Yes

Attachment A
Inactivating Century Bank Emergency Advance Account

As stated in the Banking Transition of Emergency Advance Checking Accounts memo, all Century Bank accounts will be closed to any further check issuance on January 14th. Century Bank will accept final notification of issued checks through the close of business January 21st. Any checks presented for payment that have not been recorded at Century Bank by January 21st will be returned to the payee as unpaid / account closed. If a check was issued and recorded by Century Bank prior to January 21st, it will remain outstanding and be honored. On or about May 31, 2004, any remaining un-cashed checks over one year old will be turned over to the unpaid check fund. The un-cashed Century checks issued within the last year will be consolidated into a single temporary suspense account to be managed by Treasury.

Any unused Century Bank check stock must be destroyed and a written confirmation included with the reconciliation prior to activating the new Banknorth account. The advance must be closed (EA and/or AR) on MMARS and must be accompanied by a complete reconciliation of the Century Bank account prior to establishing a new advance (RA) for the Banknorth account. This thorough mid-year close-out process will assist departments at fiscal year end when the transition to NewMMARS is underway.

Dept Code: _____ **Reconciliation Date:** _____ **Century Bank Statement Date:** _____

Bank Account Number _____	<u>Date</u>	<u>check #</u>
Department Account Balance:	\$ _____	
Add: Deposit-in-transit (include date of deposit): (if more than 1 - list deposits and dates on a separate sheet - total here)	\$ _____	_____
Subtotal	\$ _____	
Less: Checks issued but not yet cashed (Outstanding items)	\$ _____	_____
	\$ _____	_____
	\$ _____	_____
	\$ _____	_____
(if more than 5 - list amount, issue date, and check number on a separate sheet - summarize here)	\$ _____	_____
Account Balance from Century Bank Statement:	\$ _____	

Please attach a copy of the Century Bank Statement referenced. Any outstanding checks issued prior to January 1, 2003 must be transferred to the unpaid check fund at this time.

Confirmation of Destruction of unused check stock:

I confirm that all unused checks - # _____ through # _____ inclusive - from the above Century Bank account have been destroyed.

Signature _____ **Date** _____

Attachment B
Information needed to open Banknorth Emergency Advance Account

Advance processing procedures in MMARS will not change. The cost to departments will remain the same – no cost. The banking procedures will be improved with your new account at Banknorth. The on-line banking system will allow the immediate notification and recording of checks issued to Banknorth. This improves reconciliation and provides an additional and necessary level of security to the Commonwealth. Three part checks will no longer be available.

Training will be provided by Banknorth beginning the week of January 5, 2004. Please update your department's internal controls to reflect any changes to your emergency advance checking account management.

To begin the check order process please complete the information below for your Department. Consistent with prior practice, any changes or orders will be processed centrally through the State Treasurer's Office.

Department Name _____

Department Address _____

Annual anticipated number of issued checks (or minimum order of 200) _____

Check stock requirements – check one _____ continuous feed stock
_____ single check per sheet stock
_____ 3 checks per sheet stock
_____ other – explain (attach sample)

Special Requests (i.e. checks over a \$ limit requires 2 signatures)

authorized signature

date

All checks will be include "Void 90 Days After Issue Date"

Attachment C
Information needed to be set up on Banknorth's eCash Manager System

eCash allows you to manage your accounts online via internet access. eCash Manager lets you view account balances, monitor account activity, place stop payments, view check images and provide check issuance files to Banknorth. eCash training will be provided to each agency.

To begin the implementation process, please complete the information below for your Department. Consistent with prior practice, any changes will be processed centrally through the State Treasurer's Office.

Department Name _____

Department Address _____

Please indicate below who within your agency needs access to which eCash module(s).

User name (including middle initial)	4 digit number (user can select)	Mother's maiden name	Account info. module	Stop p'ment module	Check issue module

Authorized Signature

Date

Note: Banknorth will mail department account signature sheets directly to the department CFO. This form should be completed and returned to Banknorth. A copy should be kept with the department's account records for reference. Signature authority should be reviewed at least annually and updated whenever necessary.